

**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS
AGREED-UPON PROCEDURES ENGAGEMENT
OF THE
CALLOWAY COUNTY
PROPERTY VALUATION ADMINISTRATOR**

**For The Period July 1, 2005
Through June 30, 2006**



**CRIT LUALLEN
AUDITOR OF PUBLIC ACCOUNTS
www.auditor.ky.gov**

**105 SEA HERO ROAD, SUITE 2
FRANKFORT, KY 40601-5404
TELEPHONE (502) 573-0050
FACSIMILE (502) 573-0067**



CRIT LUALLEN
AUDITOR OF PUBLIC ACCOUNTS

Independent Accountant's Report

John R. Farris, Secretary, Finance and Administration Cabinet
The Honorable Ronnie Jackson
Calloway County Property Valuation Administrator
Murray, Kentucky 42071

We have performed the procedures enumerated below, which were agreed to by the Calloway County Property Valuation Administrator (PVA), solely to assist you with the accountability for statutory contribution receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts for period July 1, 2005 through June 30, 2006. This engagement to apply agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the Calloway County PVA. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. Procedure -

Determine if the PVA has a receipts ledger, a disbursements ledger, and reconciles bank records to books each month. Re-perform the year-end bank reconciliation (June 30, 2006), for all bank accounts, to determine if amounts are accurate.

Finding -

The PVA maintained a computer-generated receipts and disbursements ledger for the period. Bank records appear to have been reconciled to the ledgers on a monthly basis. The June 30, 2006 bank reconciliation was re-performed and agreed reasonably with the PVA's bank reconciliation.

2. Procedure -

Confirm any and all payments by the city to the PVA. Compare recorded city receipts to confirmed payment amounts obtained from city governments. Also review the list of city receipts for completeness.

Finding -

All receipts from city governments recorded by the PVA were confirmed with the cities and appeared to be complete and accurate. Additional cities within the county were also contacted to determine if any amounts were paid to the PVA and unrecorded. No such payments were noted.



John R. Farris, Secretary, Finance and Administration Cabinet
The Honorable Ronnie Jackson
Calloway County Property Valuation Administrator
(Continued)

3. Procedure -

Confirm any and all payments made by the fiscal court to the PVA. Compare the budgeted statutory contribution by fiscal court to the legally required amounts calculated by the Department of Revenue. Trace the fiscal court payments from the fiscal court statutory contribution budget account to the PVA's local bank account.

Finding -

Amounts paid to the PVA by Calloway County Fiscal Court appear to agree accurately and completely with the statutory contribution set by the State. However, fiscal court did not pay the deputy compensation apportionment to the PVA or the State by September 1. Instead, fiscal court paid one-fourth of the total statutory contribution to the PVA quarterly. Furthermore, quarterly payments to the PVA do not appear to have been made timely and in accordance with KRS 132.590.

PVA's Response - None.

4. Procedure -

Judgmentally select 15 disbursements from PVA records and agree amounts to cancelled checks, paid invoices or other supporting documentation. Determine if the expenditure is for official business. Review all credit card statements (if any) to determine if expenditures are for official business.

Finding -

All selected PVA expenditures agreed with cancelled checks, paid invoices, or other supporting documentation, and all appeared to be for official business. The PVA's office does not have a credit card for office expenditures.

5. Procedure -

Compare capital outlay disbursements with cancelled checks, supporting documentation, and proper purchasing procedures. Verify the location of newly acquired assets. Determine if assets were added to the PVA's Capital Asset Inventory List.

Finding -

Capital outlay purchases made during the year appear to have been properly accounted for and documented, and assets obtained were noted for physical existence. However, it does not appear that the PVA maintains a Capital Asset Inventory List.

PVA's Response - None.

John R. Farris, Secretary, Finance and Administration Cabinet
The Honorable Ronnie Jackson
Calloway County Property Valuation Administrator
(Continued)

6. Procedure -

Scan vehicle lease agreements, personal service contracts, and professional service contracts for cost schedules and compare to actual payments. Determine if services received were appropriate, for official business, and properly authorized.

Finding -

The PVA has a lease agreement for the provision of an office vehicle. Amounts disbursed for lease payments during the year appear to agree with amounts set forth by the lease contract and were properly accounted for. The lease agreement appears to be appropriate, for official business, and properly authorized.

7. Procedure -

Compare PVA's final budget to actual expenditures to determine if PVA overspent in any account series.

Finding -

Comparison of actual expenditures to the PVA's final budget, as amended and approved, proved no overspending in any account series during the year.

8. Procedure -

Determine whether collateral is necessary for the PVA's funds. If necessary determine if the PVA was sufficiently collateralized for the year and if a collateral agreement exists.

Finding -

Federal Deposit Insurance Corporation (FDIC) coverage was sufficient to protect the PVA's deposits in all months. No pledge of collateral was necessary.

9. Procedure -

Determine whether timesheets are completed, maintained, and support hours worked.

Finding -

All employees of the PVA's office appear to properly maintain and complete timesheets that are supportive of time worked, as well as representative of the amount and type of leave time used, where applicable.

John R. Farris, Secretary, Finance and Administration Cabinet
The Honorable Ronnie Jackson
Calloway County Property Valuation Administrator
(Continued)

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on the receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Property Valuation Administrator and the Department of Revenue and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Crit Luallen", with a stylized flourish at the end.

Crit Luallen
Auditor of Public Accounts

Engagement fieldwork completed -
December 21, 2006

